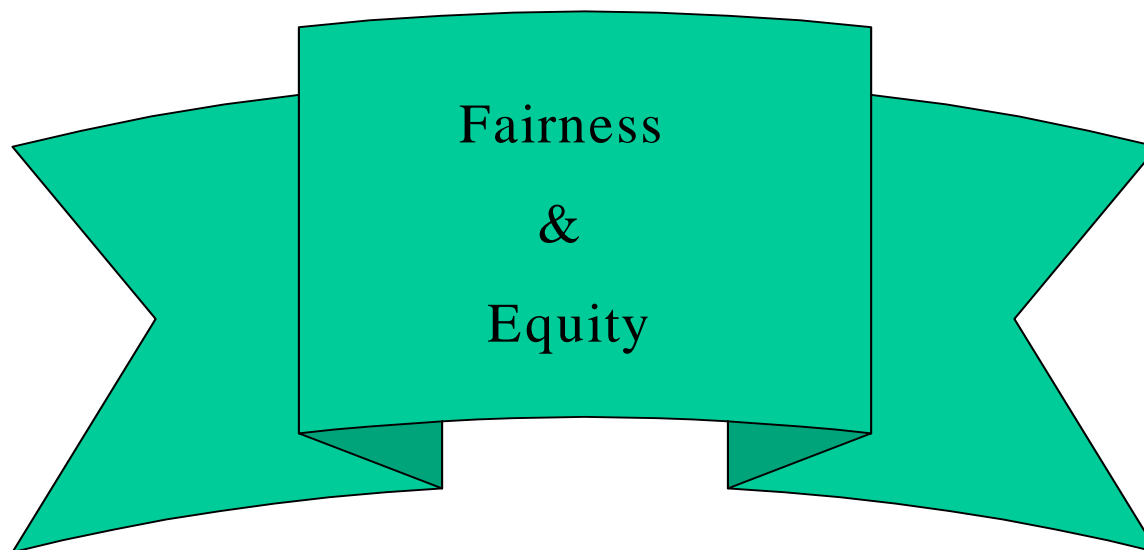


# Assessor's Office City of Bangor, Maine

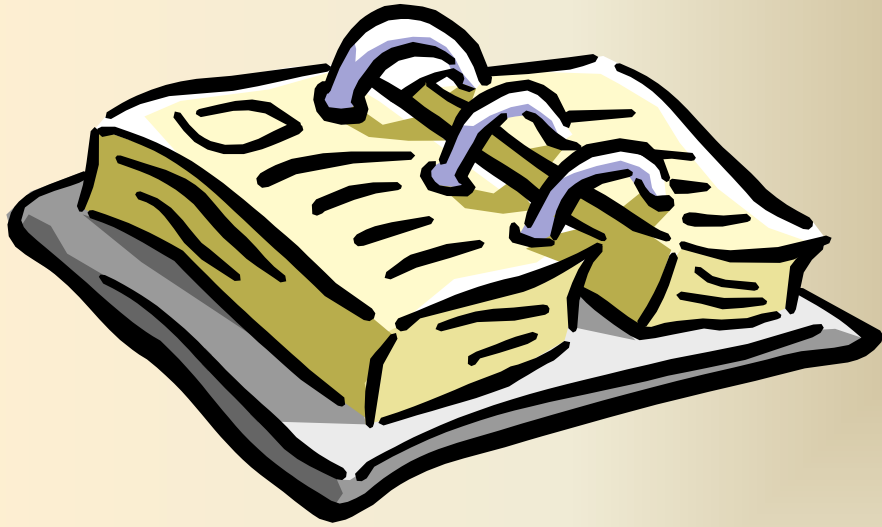


***This show takes about 20 minutes***

# **Annual Assessment Update**



- **Quality Market Information**
- **Supply and Demand Changes**
- **Market Value Factors**
- **Equality Adjustments**
- **Fair and Equitable Assessments**



**Maine's official**  
**Assessment Date**  
**is April 1, 2005**

**The City's fiscal year runs from**  
**July 1, 2005 to June 30, 2006.**

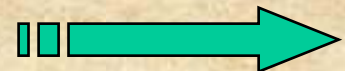
**This period is called Fiscal Year 2006.**



# Study Period



- real estate sales which occurred starting July 2003 thru June 2004.
- The city used over 400 sales.



# What is a Sales Ratio?



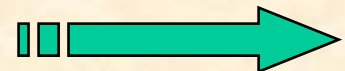
- **Sales Ratio = Assessment divided by Sale Price.**
- **For example, the property's assessment is \$90,000 and it sells for \$100,000. The ratio is 90% or *under-assessed*.**



# Objectives



- **City policy says overall Sales Ratio should be about 100%.**
- ***Assessor proposes annual adjustments to bring properties within the Sales Ratio range of 95% to 100%; across property classes.***

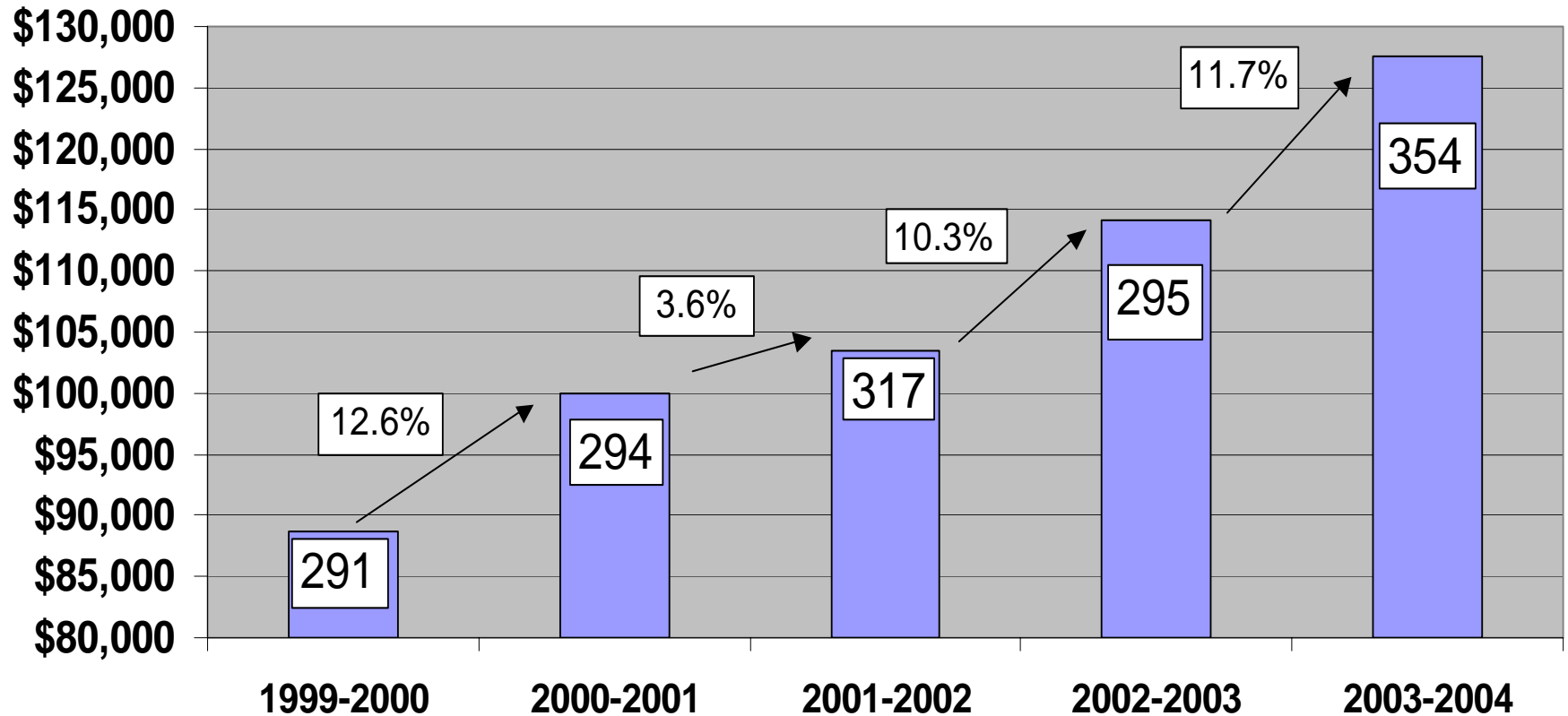


# Office of Fed. Housing Oversight oversees Fannie Mae & Freddie Mac



- Home Price Index for Bangor.
- Appreciated 14.86% in the last one year period. (Sept. 2003 to Sept. 2004)
- Appreciated 57.75% in the last five-year period.
- (Source: [www.OFHED.gov](http://www.OFHED.gov) click on House Price Index)

## Single Family - Change in Average Sales Price



**Sale Period (July to June) - # of Sales shown in bar**

# **Proposed Adjustments**

- **All residential properties receive an upward adjustment based upon market trends.**
- **Mobile Homes in Parks also receive an upward adjustment based upon park appeal.**
- **Positive adjustments to both land values and building values mainly by Residential Neighborhood.**



The next few slides show a number of Bangor properties that have sold twice.

Included are the properties': general location, building style, recent sales prices, percentage increase and number of months between sales.



# Elm Street

Ranch



Sold 9/2001  
for \$47,000

Sold 10/2003  
for \$77,150

64% increase  
over 25  
months

# Falvey Street

Ranch



Sold 10/2001  
for \$61,900

Sold 2/2004  
for \$81,000

31% increase  
over 28  
months

# Mt. Desert Drive

Ranch

Sold 2/2003  
for \$72,000

Sold 5/2004  
for \$87,000

21% increase  
over 16  
months



# Hudson Street

Two Story

Sold 12/2002  
for \$88,900

Sold 10/2003  
for \$98,000

10% increase  
over 10  
months



# Yankee Avenue

Ranch



Sold 3/2001  
for \$100,000

Sold 7/2003  
for \$125,000

25% increase  
over 28  
months

# Eighteenth Street

Cape

Sold 6/2003  
for \$119,200

Sold 6/2004  
for \$132,000

11% increase  
over 12  
months



# Center Street

NE Cape



Sold 4/2002  
for \$92,900

Sold 5/2004  
for  
\$135,000

45% increase  
over 25  
months

# Birch Street

Colonial



Sold 9/2003  
for \$111,500

Sold 4/2004  
for \$135,000

21% increase  
over 7 months

# Clark Avenue

Raised Ranch



Sold 6/2001  
for \$111,700

Sold 7/2003  
for \$137,000

23% increase  
over 25  
months

# Fifteenth Street

Ranch

Sold 10/2001  
for \$99,000

Sold 9/2003  
for \$145,000

46% increase  
over 24  
months



# Glencove Avenue

Raised Ranch



Sold 5/2002  
for \$150,000

Sold 10/2003  
for \$179,000

19% increase  
over 16  
months

# Laurel Circle

Saltbox

Sold 5/2001  
for \$150,000

Sold 3/2004  
for \$180,500

20% increase  
over 34  
months



# Royal Road

Bangor Box

Sold 9/2001  
for \$138,000

Sold 6/2004  
for \$182,800

32% increase  
over 34  
months



# Ohio Street

## Antique Cape



Sold 1/2003  
for \$190,000

Sold 6/2004  
for \$250,000

32% increase  
over 17  
months

The next few slides show a number of condo or pud (planned unit development) homes that have sold twice. Included are the properties': general location, building style, recent sales prices, percentage increase and number of months between sales.

# Willowbrook Run

## Ohio Street

Two Story

Sold 7/2001  
for \$77,000

Sold 6/2004  
for \$100,000

30% increase  
over 35  
months



# Baldwin Drive Broadway

Two Story

Sold 7/2001  
for \$85,000

Sold 12/2003  
for \$105,000

24% increase  
over 29  
months



# Franklin Street Condo

One Story on  
2<sup>nd</sup> Floor



Sold 10/2002  
for \$116,000

Sold 11/2003  
for \$138,000

19% increase  
over 13  
months

# Cortland Circle Broadway

Cape



Sold 10/2001  
for \$116,000

Sold 5/2004  
for \$140,000

21% increase  
over 31  
months

# Mobile Homes in Parks



Last year the mobile home values were adjusted down due to a change in the valuation process.

This year the mobile home values will increase depending upon sales activity within the individual mobile home parks. On the next slide the typical increase is shown for each park or neighborhood.

# Mobile Homes in Parks

<u>PARK NAME</u>	<u>MARKET CHANGE</u>
MARTEL	No Increase
PRAY	No Increase
RAINBOW	No Increase
HOLIDAY	10 TO 15% Increase
CEDAR FALLS	10 TO 15% Increase
BIRCH HILL ESTATES	15 TO 20% Increase

# **Single Family to Four Unit Buildings**

**A single percentage increase will  
not apply to all residential  
properties.**

---

**The next slide shows that all  
types of residential properties are  
increasing in assessment due to  
higher sale prices.**



# Residential % Change

<b>PROPERTY TYPE</b>	<b>AVERAGE PERCENTAGE INCREASE</b>
<b>SINGLE FAMILY</b>	<b>13%</b>
<b>TWO FAMILY</b>	<b>18%</b>
<b>THREE FAMILY</b>	<b>18%</b>
<b>FOUR FAMILY</b>	<b>14%</b>

(See Next Slide for More Detail on Changes)



# Residential % Change

<b>Percentage Change</b>	<b>One Family</b>	<b>Two Family</b>	<b>Three Family</b>	<b>Four Family</b>
<b><u>Small Reduction</u></b>	<b>9%</b>	<b>3%</b>	<b>8%</b>	<b>6%</b>
<b><u>Increase</u></b>				
<b>1% to 5%</b>	<b>10%</b>	<b>3%</b>	<b>3%</b>	<b>23%</b>
<b>6% to 10%</b>	<b>15%</b>	<b>4%</b>	<b>4%</b>	<b>3%</b>
<b>11% to 15%</b>	<b>28%</b>	<b>36%</b>	<b>33%</b>	<b>36%</b>
<b>16% to 20%</b>	<b>19%</b>	<b>23%</b>	<b>14%</b>	<b>10%</b>
<b>21% to 25%</b>	<b>13%</b>	<b>16%</b>	<b>15%</b>	<b>9%</b>
<b><u>Over 25%</u></b>	<b><u>5%</u></b>	<b><u>15%</u></b>	<b><u>23%</u></b>	<b><u>13%</u></b>
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

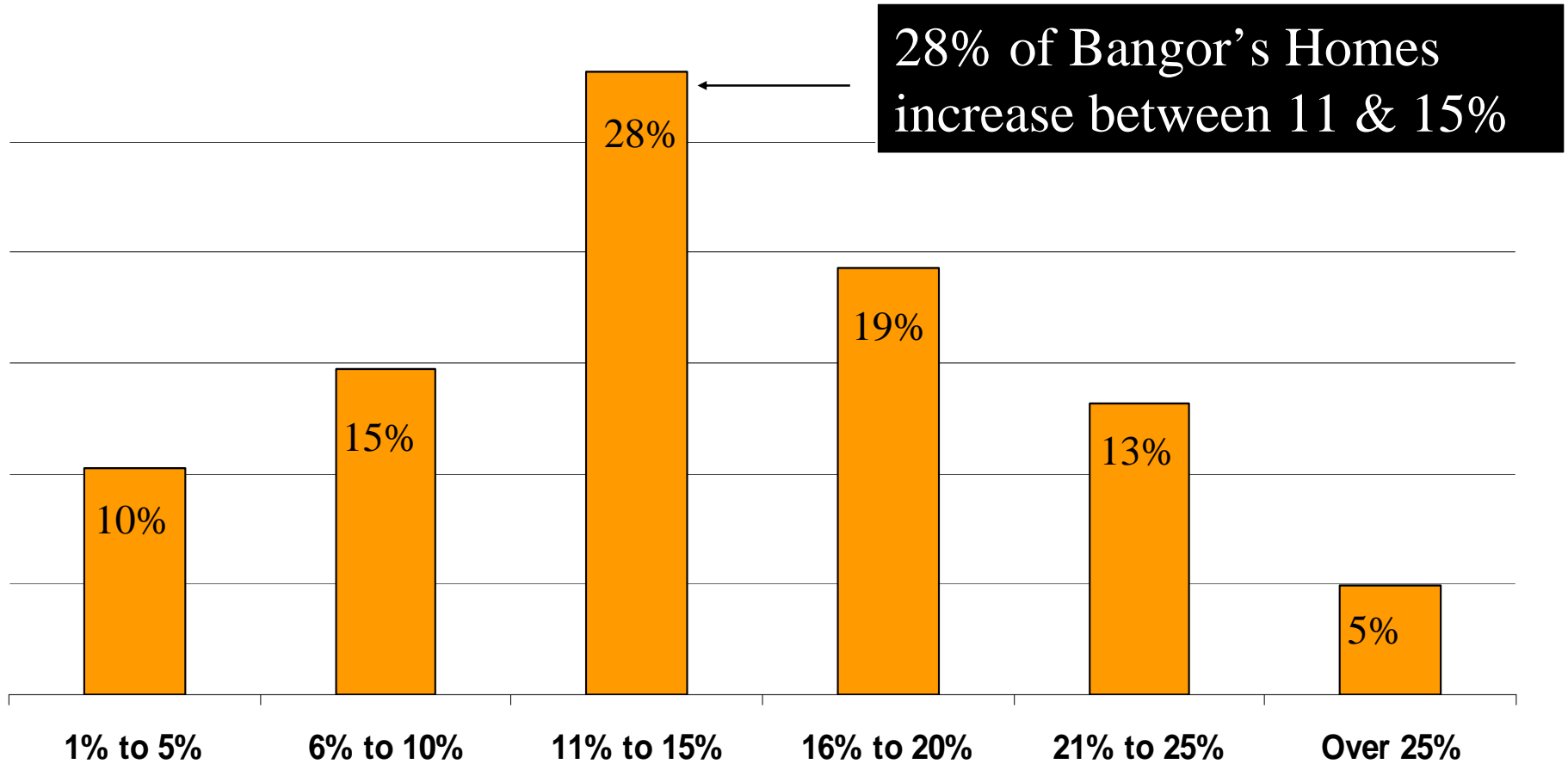
The next slide gives a general sense for the impact of the assessment adjustments on single family homes.

---

The slide shows that all assessments increase and that the majority or 62% will increase between 6% to 20%.



# PERCENTAGE INCREASE - SINGLE FAMILY



Assessment Increases due to Higher Market Prices

**The next two slides help answer the following question.**

---

**Why would the value of my home increase if I haven't done anything to my property and nothing has sold near mine ?**



**The value of your property may change due to inflation, interest rates, supply and demand, current market trends, etc.**

**For example, mature neighborhoods with good housing may become fashionable as new homebuyers relocate to buy or rent.**

**Also, a shortage of houses in a desirable city neighborhood can also raise values.  
(continued)**



**Other possible reasons: (1) you were valued at a lower market value in a previous year; (2) fluctuations in market sales, up or down; and (3) renovation and modernization.**

---

**It is possible that values in your neighborhood have increased in the previous year due to an increase in sales activity and sale prices. If your neighborhood's values have increased, then your home's value may also.**

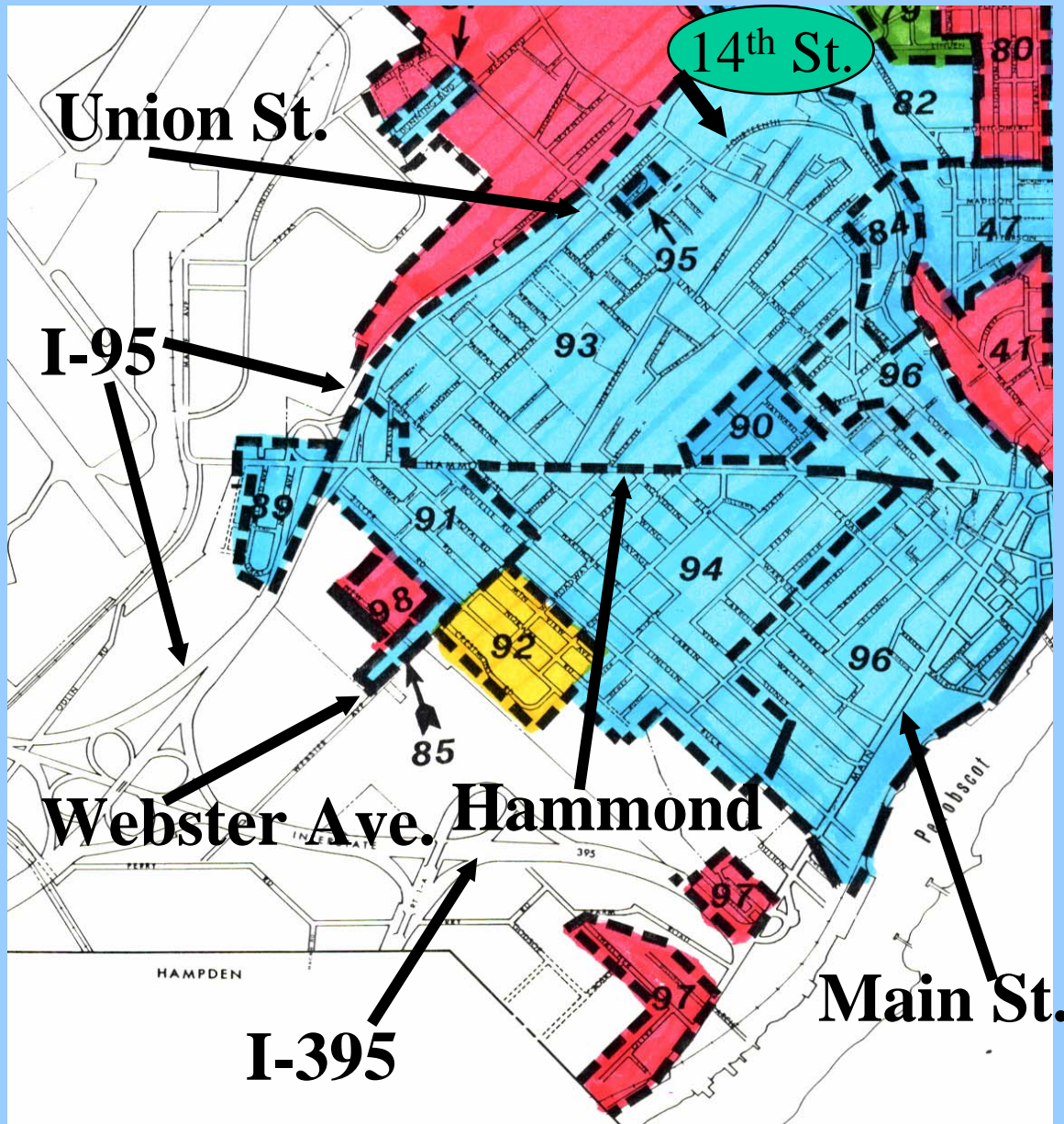
**The next 7 slides show the city's  
neighborhood map starting with the  
in-town west side and finishing with the  
outer east side.**

**What is the overall average increase in your  
neighborhood?**

**Homes in the white area on each map will  
receive a valuation adjustment between  
**1 to 5% higher.****



# In-town West Side Neighborhoods % Increase



- Blue - 16% to 25%
- Pink - 11% to 15%
- Yellow - 6% to 10%
- Green - 1% to 5%



# In-town East Side Neighborhoods % Increase

Corner of Broadway & Stillwater Avenue

Poplar St.

Mt.Hope Ave.

I-95

Hogan Rd.

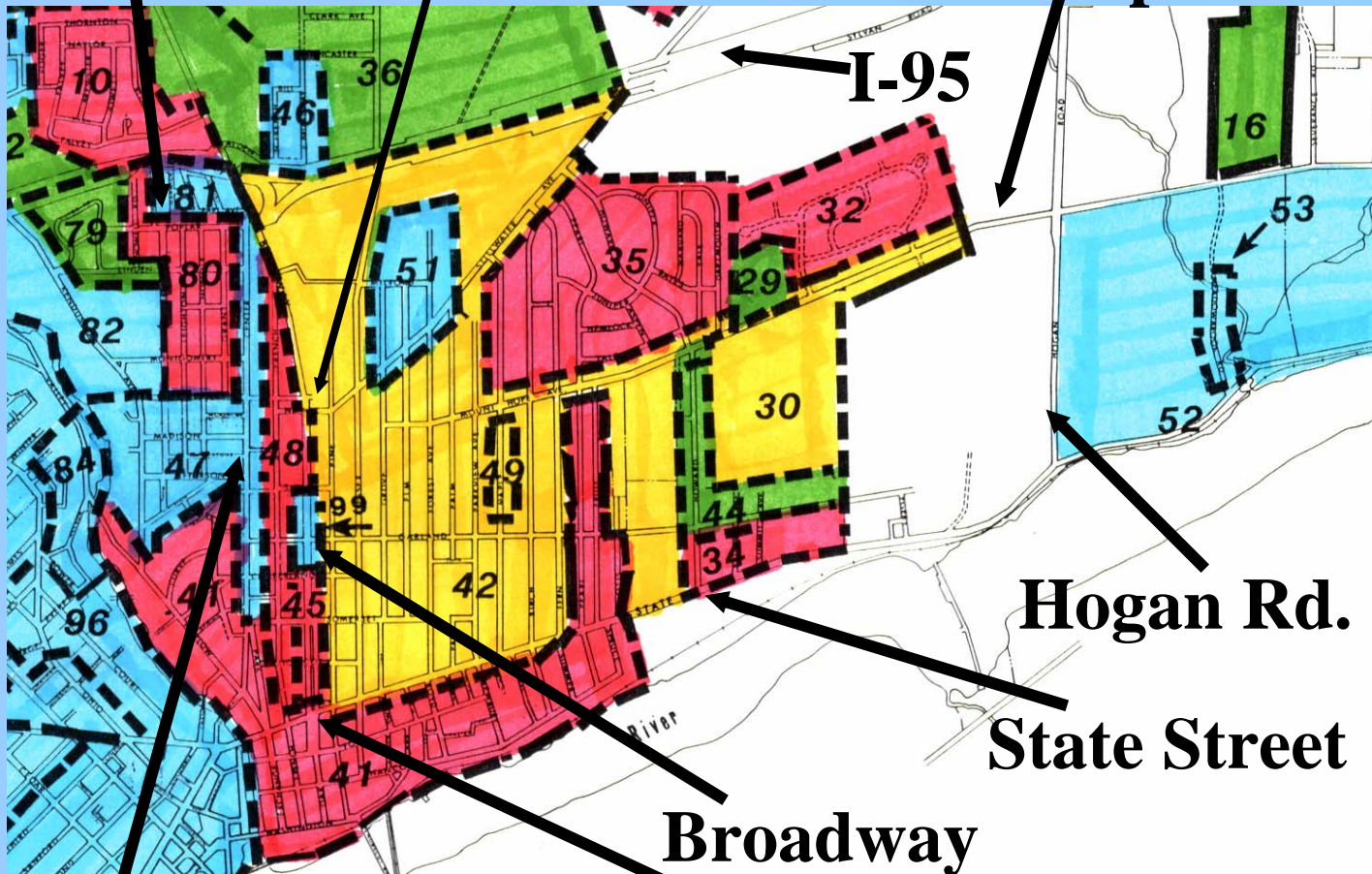
State Street

Broadway

Center St.

Corner State & Broadway

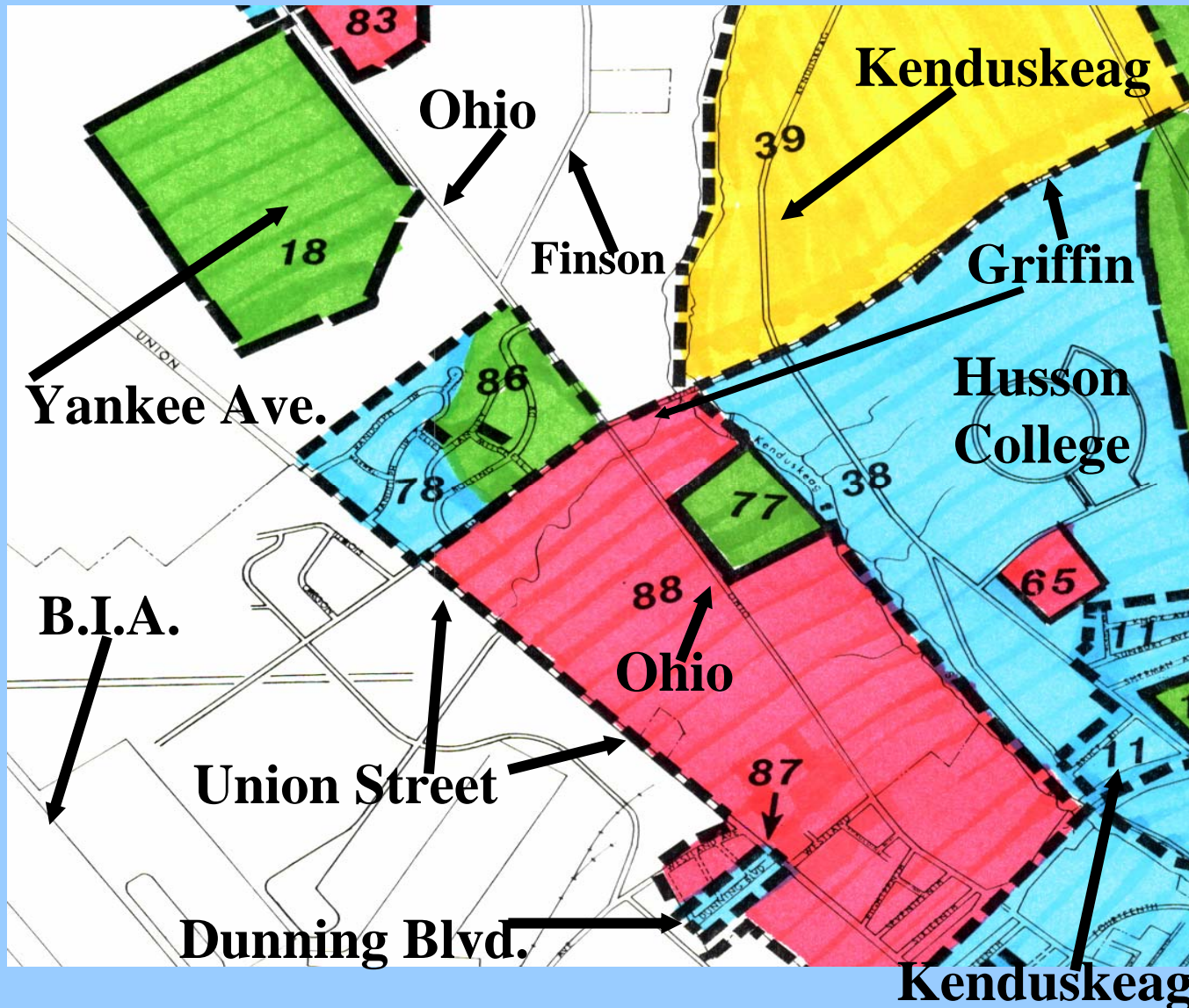
- Blue - 16% to 25%
- Pink - 11% to 15%
- Yellow - 6% to 10%
- Green - 1% to 5%



# Union Street & Kenduskeag Avenue

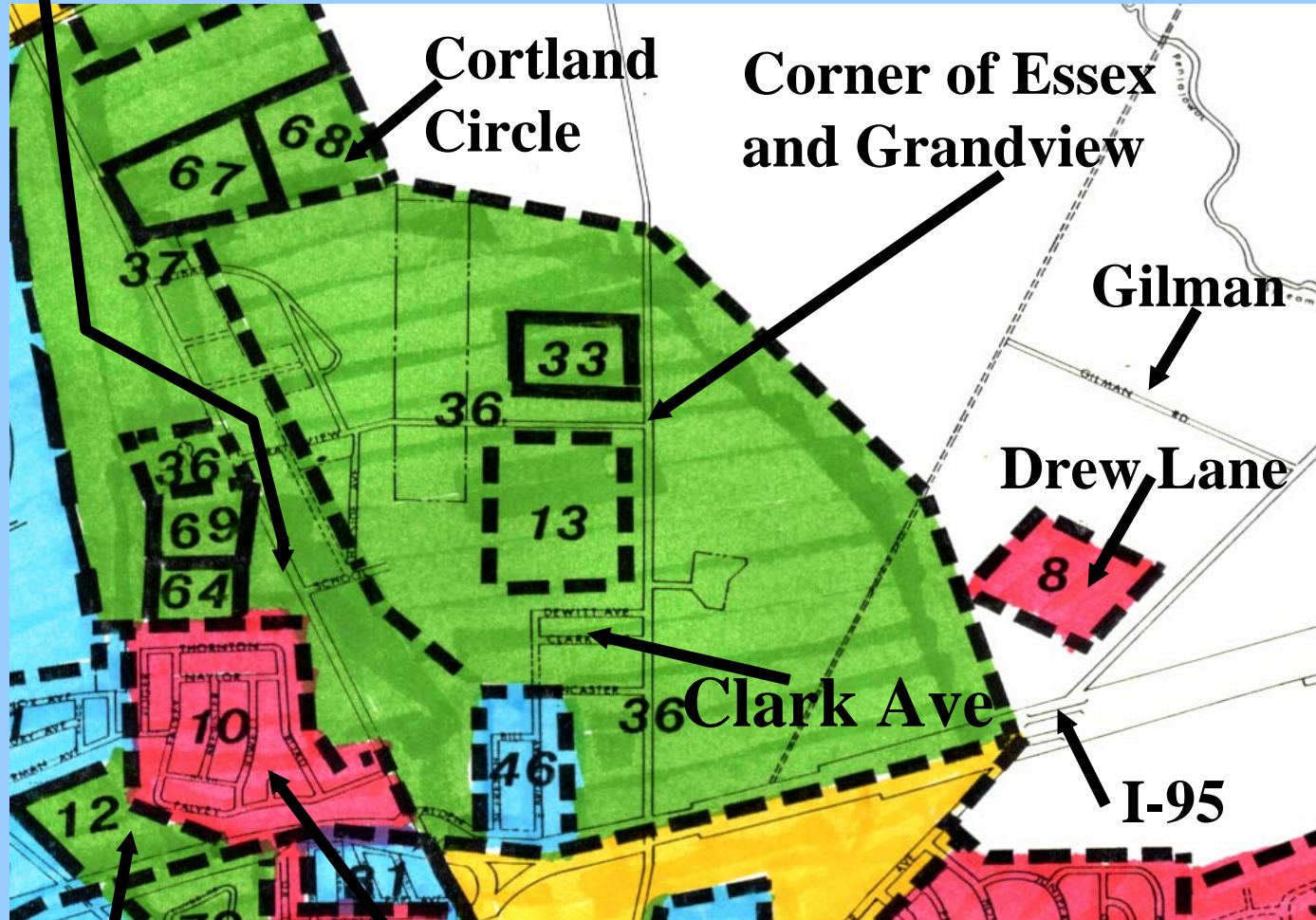
## Neighborhoods % Increase

- Blue - 16% to 25%
- Pink - 11% to 15%
- Yellow - 6% to 10%
- Green - 1% to 5%



# Broadway & Essex Street Neighborhoods % Increase

Corner Husson & Broadway



- Blue - 16% to 25%
- Pink - 11% to 15%
- Yellow - 6% to 10%
- Green - 1% to 5%

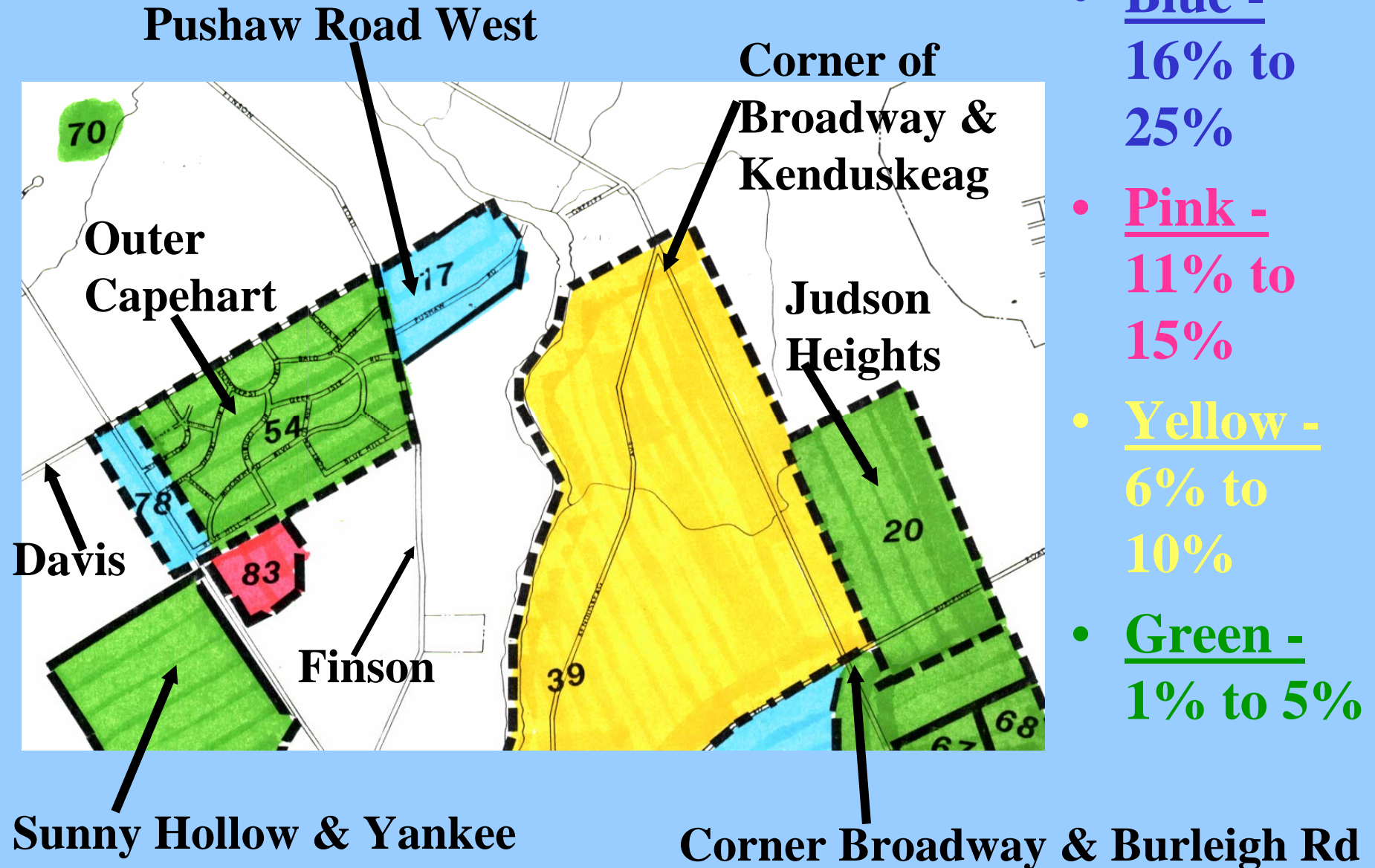
Laurel Circle

Bangor Garden

# Outer Broadway & Finson Road

## Neighborhoods % Increase

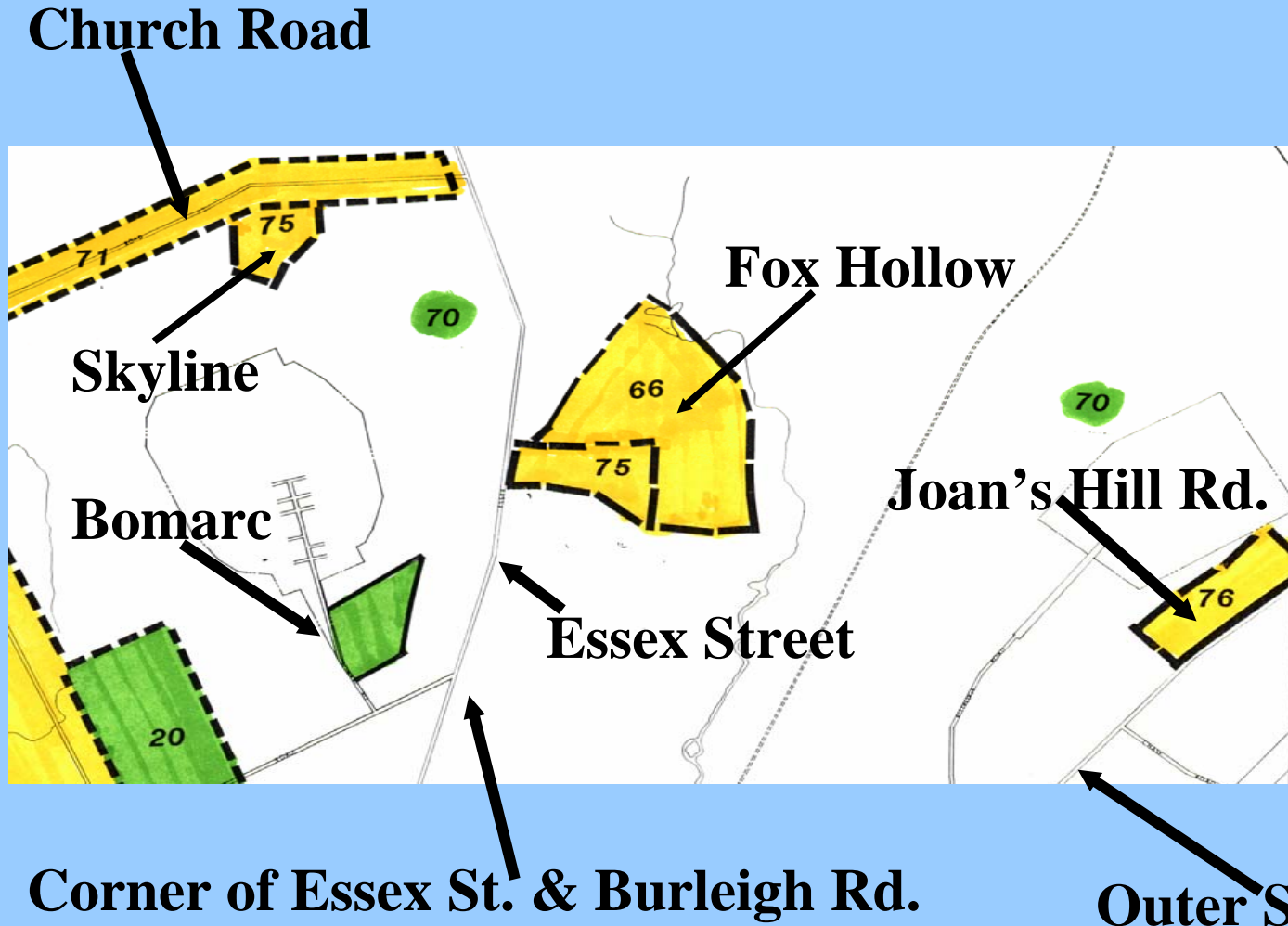
- Blue - 16% to 25%
- Pink - 11% to 15%
- Yellow - 6% to 10%
- Green - 1% to 5%



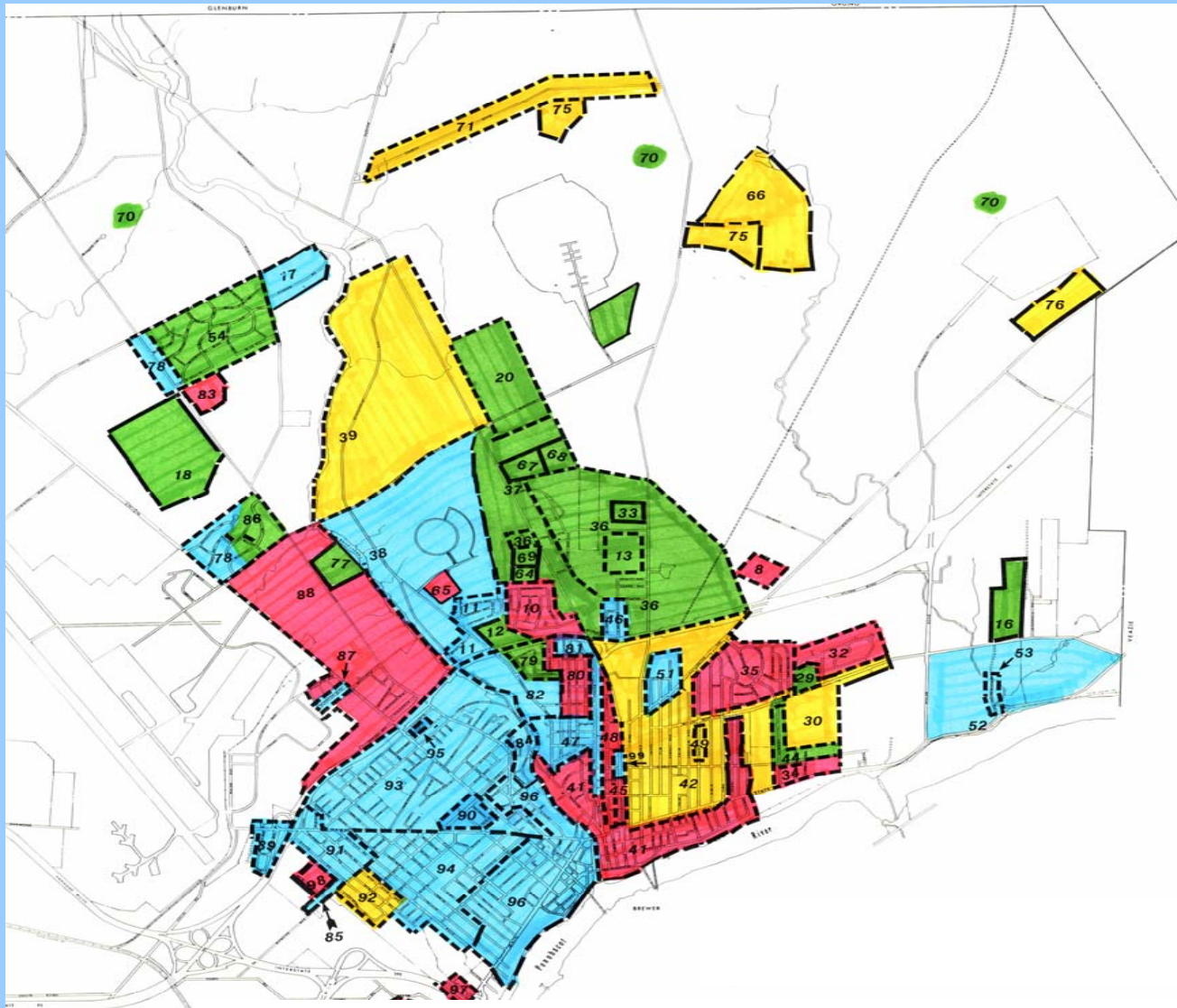
# Outer Essex, Church Road and Stillwater Ave.

## Neighborhoods % Increase

- Blue - 16% to 25%
- Pink - 11% to 15%
- Yellow - 6% to 10%
- Green - 1% to 5%



# Entire City of Bangor - % Increase



- Blue - 16% to 25%
- Pink - 11% to 15%
- Yellow - 6% to 10%
- Green - 1% to 5%

All the white area is also 1 to 5%

What about all the new homes  
being built in Bangor? Are they  
being assessed at reasonable  
values?

The answer is YES !



# New house on Molly Lane near Bangor Mall

Ranch



Likely  
assessment  
range  
of  
\$120,000  
to  
\$130,000

# New house on Bomarc Road

Modified  
Raised Ranch



Likely  
assessment  
range  
Of  
\$130,000  
to  
\$150,000

# New house on Westland Street

Colonial



Likely  
assessment  
range  
Of  
\$150,000  
to  
\$175,000

# New house on Burleigh Road

Ranch with  
garage



Likely  
assessment  
range  
of  
\$200,000  
to  
\$250,000

# New house on Hillview Drive off Judson Blvd.

Colonial with  
garage with  
finished attic



Likely  
assessment  
range  
of  
\$250,000  
to  
\$300,000

# New house on outer Stillwater Avenue



Colonial with  
large garage  
with finished  
attic

Likely  
assessment  
range  
of  
\$300,000  
to  
\$350,000

# New house on Skyline Road off Church Road

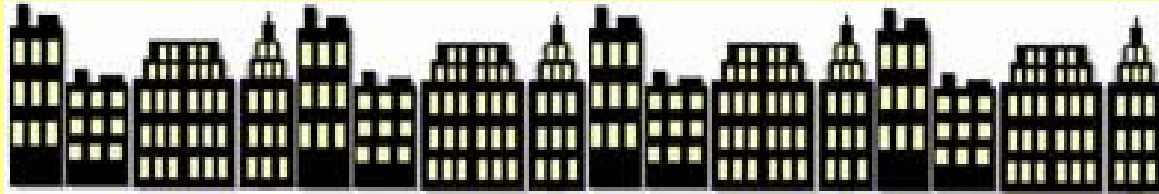
Cape with  
large garage  
with finished  
attic



Likely  
assessment  
range  
of  
\$350,000  
to  
\$400,000

The next few slides show that apartment buildings and other commercial/industrial properties have also increased in assessment.

# Apartment Buildings



<b>PERCENTAGE INCREASE IN VALUE</b>	<b>NUMBER OF APARTMENT BUILDINGS</b>	<b>PERCENTAGE OF PROPERTIES</b>
<b>1% TO 10%</b>	<b>77</b>	<b>37%</b>
<b>11% TO 20%</b>	<b>32</b>	<b>15%</b>
<b>21% TO 30%</b>	<b>72</b>	<b>35%</b>
<b>OVER 30%</b>	<b><u>27</u></b>	<b><u>13%</u></b>
	<b>208</b>	<b>100%</b>
<b>AVERAGE INCREASE IS 19%</b>		

**Commercial and Industrial  
properties will also increase in  
value.**



**The average increase in  
assessment is 7%**

# **Summary of Changes**

- **Changes are Market Based.**
- **Fairness and Equity have both Improved.**
- **Adjustments are Necessary.**

# **Is my assessment equitable?**

**There are two very good methods of determining this. First, compare your property to similar properties that sold in the previous year. Second, if no recent sales are available, compare your assessment to other similar properties in your area. Remember, very few properties are exactly alike.**

# **Your Tax Bill**

**Individual tax bills are based on your property's taxable value (assessed value minus exemptions - if any).**

**An increase in value may increase the tax dollars paid.**

# Homestead Exemption

Last Year's Exemption

This Year's Exemption

\$2,500 —————→ \$13,000  
becomes

\$5,000 —————→ \$13,000  
becomes

\$7,500 —————→ \$13,000  
becomes

# Bangor's Tax Rate

Last Year's Rate

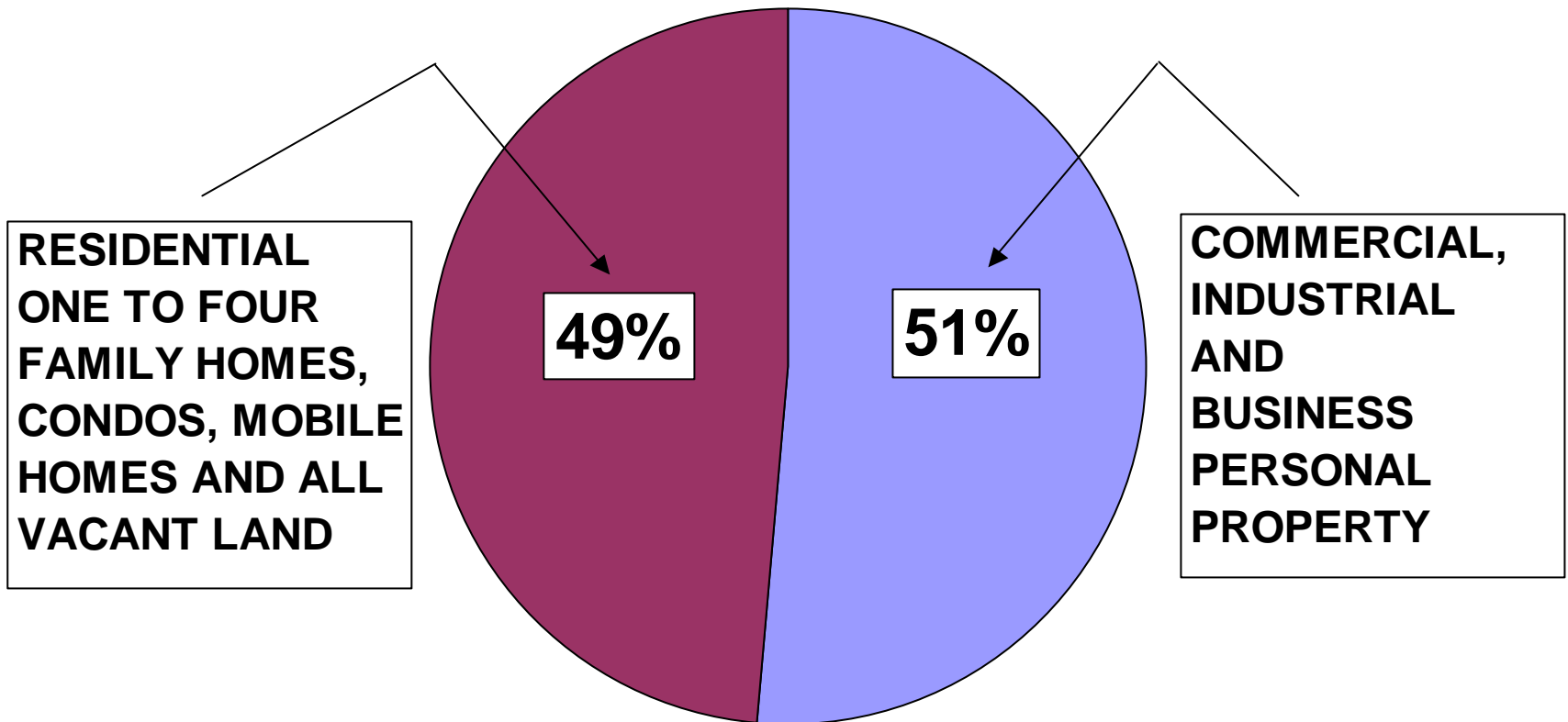
This Year's Rate

**\$22.05**  **\$20.40**

**Reduces to**

**The same rate is used for all classes of property; both real and personal.**

# Who pays what share of taxes in Bangor?



**We welcome all questions and  
comments about this presentation**

**Please call our office at 992-4212 or  
stop by to see us between**

**8:00 a.m. & 4:30 p.m. - M-F**

**We are located on the first floor of  
City Hall - 73 Harlow Street.**



**This Annual Assessment Update is  
also available for view on the  
city's official website.**

**Please go to:**

**[www.bangormaine.gov](http://www.bangormaine.gov)**

# Music Reference

- Adagio – Joaquin Rodrigo – Romance of the Spanish Guitar
- Boublil and Schonberg's Legendary Musical Les Miserables – Royal Albert Hall Concert
- The Noel Touthy Radio Ceili Band - Jigs

**The End  
&  
Thank You.**

